GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3598
ANSWERED ON:27.04.2007
"GOVERNMENT SPONSORED SMALL SAVINGS DEPOSIT SCHEME"
Chandrappan Shri C.K.

Will the Minister of FINANCE be pleased to state:

(a) whether there has been fall in deposits under small savings deposit schemes due to low interest rate and low commission to their agents;

(a) if so, the details thereof; and

(b) the action taken by the Government to mobilise more deposits from small savings?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE : (SHRI PAWAN KUMAR BANSAL)

(a) & (b): The gross collections in post offices and banks during last eleven months, viz., April 2006 to February 2007 have been Rs. 1,56,756 crore as against Rs. 1,79,263 crore during the corresponding period of last financial year. The net collections (gross collections minus repayments) during the same period have been Rs. 45191 crore as against Rs. 74002 crore last year. The decline in collections reflects inter-alia, investors' preference for alternative instruments.

(c): The small savings schemes, carrying different terms and rate of interest administered by the Govt. of India, are designed to provide safe and attractive investment option to all individuals who invest in these savings schemes. Central and State Governments take various measures from time to time to promote and popularize small savings schemes through print and electronic media as well as holding seminars and meetings, providing training to the various agencies involved in mobilizing deposits under these schemes. A website of the National Savings Institute under Government of India, Ministry of Finance has also been launched to facilitate interface with the public through wider dissemination of information on small savings and on-line registration and settlement of investor's grievances. The website address is nsiindia.gov.in